STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES Land Division Honolulu, Hawaii 96813

March 24, 2006

Board of Land and Natural Resources State of Hawaii Honolulu, Hawaii 06od-025

Oahu

Grant of Perpetual, Non-Exclusive Easement to Hawaiian Electric Company, Inc. for Access and Utility Purposes, Sunset Beach Elementary School, Pupukea, Oahu, Tax Map Key: 5-9-05:18 portion.

APPLICANT:

Hawaiian Electric Company, Inc. (HECO), a Hawaii corporation, whose business and mailing address is P.O. Box 2750, Honolulu, Hawaii 96840-0001.

LEGAL REFERENCE:

Section 171-95, Hawaii Revised Statutes, as amended.

LOCATION:

Portion of Government lands of Pupukea situated on a portion of the Sunset Beach Elementary School site, Pupukea, Oahu, identified by Tax Map Key: 5-9-05:18 portion, as shown on the attached map labeled Exhibit A.

AREA:

11,006 square feet

ZONING:

State Land Use District: Agriculture City & County of Honolulu CZO: AG-1

TRUST LAND STATUS:

Acquired after Statehood.

DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: YES NO X

CURRENT USE STATUS:

Encumbered by Governor's Executive Order No. 3137 to the Department of Education for Sunset Beach Elementary School.

CHARACTER OF USE:

Right, privilege and authority to construct, use, maintain,

CHARACTER OF USE:

Right, privilege and authority to construct, use, maintain, repair, replace and remove electrical transmission lines, poles, guy wires and anchors over, under and across State-owned land.

COMMENCEMENT DATE:

Immediately after the expiration of the current easement with the James Campbell Estate on January 20, 2007.

CONSIDERATION:

One-time payment to be determined by independent or staff appraisal establishing fair market rent, subject to review and approval by the Chairperson.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

In accordance with the "Division of Land Management's Environmental Impact Statement Exemption List", approved by the Environmental Council and dated April 28, 1986, the subject request is exempt from the preparation of an environmental assessment pursuant to Exemption Class No. 1, Item No. 5 that states "Operations, repairs or maintenance of existing structures, facilities, equipment or topographical features, involving negligible or no expansion or change of use beyond that previously existing."

DCCA VERIFICATION:

Place of business registration confirmed: YES Registered business name confirmed: YES Applicant in good standing confirmed: YES

APPLICANT REQUIREMENTS:

Applicant shall be required to:

- 1) Pay for an appraisal to determine one-time payment; and
- 2) Provide survey maps and descriptions acceptable to State DAGS and at Applicant's own cost (previously submitted).
- Process and obtain subdivision at Applicant's own cost (for City & County of Honolulu only);

REMARKS:

HECO requested a perpetual easement for access and utility purposes by letter dated January 25, 2006 (see Exhibit B). As explained in the HECO letter, this is an existing utility line under an easement originally issued by the trustees under the Will and of the Estate of James Campbell, deceased, beginning January 15, 1958. The State acquired the property on November

13, 1975 for Sunset Beach Elementary School for a consideration of \$95,000. This easement is scheduled to expire on January 20, 2007. A management right-of-entry will not be required if a new easement is processed prior to the expiration of the Campbell Estate easement.

The Department of Hawaiian Home Lands, Office of Hawaiian Affairs and the City and County of Honolulu replied to our request for comments memorandum indicating they had "no comments". No other agency comments were received.

RECOMMENDATION: That the Board:

- 1. Declare that, after considering the potential effects of the proposed disposition as provided by Chapter 343, HRS, and Chapter 11-200, HAR, this project will probably have minimal or no significant effect on the environment and is therefore exempt from the preparation of an environmental assessment.
- 2. Subject to the Applicant fulfilling all of the Applicant requirements listed above, authorize the issuance of a perpetual non-exclusive easement to Hawaiian Electric Company, Inc. covering the subject area for access and utility purposes under the terms and conditions cited above, which are by this reference incorporated herein and further subject to the following:
 - A. The standard terms and conditions of the most current perpetual easement document form, as may be amended from time to time;
 - B. Review and approval by the Department of the Attorney General; and
 - C. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

Respectfully Submitted,

Al Jodar

Land Agent

APPROVED FOR SUBMITTAL:

Peter T. Young, Charperson

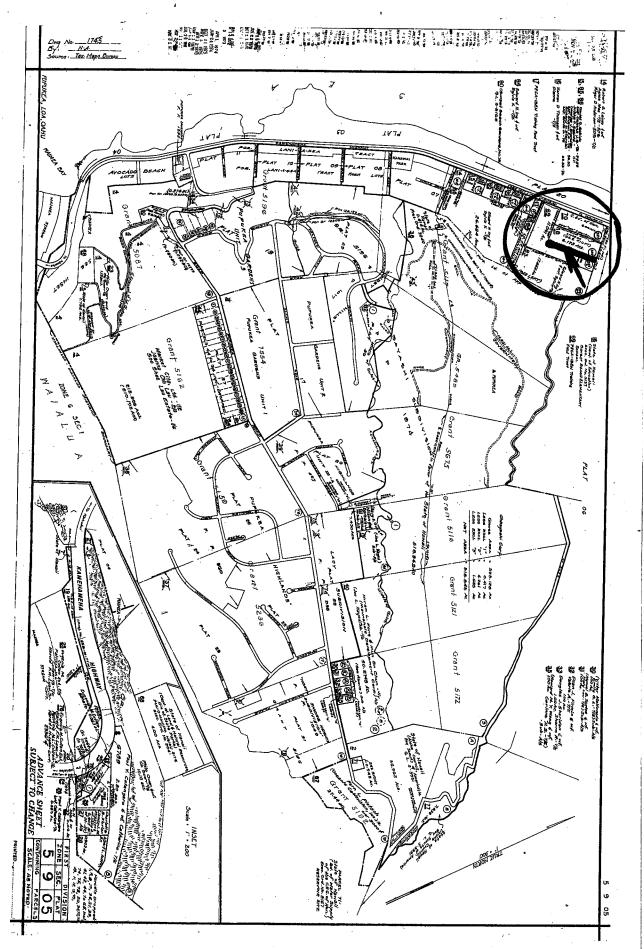


EXHIBIT "A"

RECEIVED LAND DIVISION

2006 JAN 25 A 9:01

SEPT OF LAND & NATURAL RESOURCES

January 25, 2006

Mr. Al Jodar Land Agent Department of Land & Natural Resources P. O. Box 621 Honolulu, HI 96809

Campbell Estate Termination of Trust Easements,

Sunset Elementary School, Pupukea, Koolauloa, Oahu, TMK 5-9-005:018 por.

Dear Mr. Jodar:

In the past, it was customary for Hawaiian Electric Company (HECO) to obtain easements from the Estate of James Campbell that would expire upon the termination of the Campbell trust. The death of the last surviving daughter of James Campbell in 1987 established the date of termination as January 20, 2007. Over the last several years, HECO has been engaged in an extensive effort to convert these termination of trust easements to perpetual grants. In 2004, for instance, HECO negotiated a settlement with Campbell Estate for the easements that still remain on Campbell land. However, as a result of certain acquisitions by government agencies and the Estate's program to dispose of many of its assets, a number of other termination of trust easements now encumber lands no longer owned by the Estate. One of these non-Estate parcels is the State of Hawaii's Sunset Elementary School site, TMK 5-9-005:018.

Enclosed are hard and electronic copies of a map and description for a proposed easement that would encumber the mauka portion of the Sunset Elementary School site. Also enclosed is a tax map that shows the general area. This easement would cover an *existing line* that crosses a portion of the school site and serves the general North Shore area. Further information about the easement follows:

R/W 1957-242E, area 11,006 sq. ft., covers a portion of the Waialua-Kahuku 46kV overhead line. As stated above, this line provides power to the general North Shore area. It is presently covered by a Campbell Estate easement dated January 15, 1958, recorded as Land Court document no. 213433 (copy enclosed), which will expire on January 20, 2007.





Mr. Al Jodar January 25, 2006 Page 2

As easement coverage is still needed for this line, HECO is respectfully requesting the granting of a non-exclusive perpetual easement for the easement interest outlined above. As the subject line has been in service for many decades, we believe that the proposed new easement will have minimal or no significant effect on the environment and is therefore exempt from the preparation of an environmental assessment under the authority of Chapter 343, HRS, and Chapter 11-200 HAR. The declaration of exemption would be based on Exemption Class #1 on the exemption list for the Division of Land Management, Department of Land and Natural Resources, dated April 28, 1986, that states:

"Operations, repairs or maintenance of existing structures, facilities, equipment or topographical features, involving negligible or no expansion or change of use beyond that previously existing."

If you have any questions, or require additional information, you can contact me at 543-4735, or at phil.hauret@heco.com. We appreciate your efforts on our behalf.

Sincerely yours,

Philip Hauret

Senior Land Agent

Enclosures

